

**PUBLIC DISCLOSURE**

February 14, 2001

**COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**WINCHESTER CO-OPERATIVE BANK**

19 CHURCH STREET  
WINCHESTER, MA 01890-4258

DIVISION OF BANKS  
1 SOUTH STATION  
BOSTON, MA 02110

<p><b>NOTE:</b> This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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## **GENERAL INFORMATION**

The Community Reinvestment Act (CRA) requires the Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of Winchester Co-operative Bank prepared by the Massachusetts Division of Banks, the institution's supervisory agency, as of February 14, 2001.

### **INSTITUTION'S CRA RATING: This institution is rated “High Satisfactory”**

Winchester Co-operative Bank's CRA performance depicts a good practice of providing for the credit needs of its assessment area. The bank's loan-to-deposit ratio has averaged 75.3% and reflects an acceptable responsiveness to community credit needs. A majority of loan originations during 1999 and year-to date December 19, 2000 are within the bank's assessment area.

There are no low or moderate-income census tracts within the bank's assessment area. However, the distribution of loan originations in the middle and upper-income census tracts appears reasonable.

The distribution of loans to borrowers of different income levels represents an above average penetration among the various income levels in the assessment area.

Fair Lending performance was found to be satisfactory.

The bank's services and investments were also found to be notable and contribute to its overall rating of High Satisfactory.

## **PERFORMANCE CONTEXT**

### **Description of Institution**

Winchester Co-operative Bank is a state chartered community institution incorporated under the laws of the Commonwealth of Massachusetts in 1893. The bank currently operates one full service office located at 19 Church Street in Winchester. The bank employs 34 full-time and 10 part-time employees. As of December 31, 2000, assets totaled \$234,496,000 of which 72.4 percent are in the form of loans. The institution's primary lending focus is residential 1-4 family real estate, which comprises 83.0 percent of the loan portfolio. Banking hours are considered convenient and accessible to the public.

Winchester Co-operative Bank has strong competition from several financial institutions in its assessment area. These financial institutions include but are not limited to Winchester Savings Bank; Cambridgeport Savings Bank, and representatives of regional and national banking and mortgage companies. The market influence from these institutions appears to be significant, and as a result, serves to keep the bank's rates and services offered competitive.

Market share information obtained from PCI Services, Inc. CRA WIZ, indicates there are 298 lenders including mortgage companies, savings banks, commercial banks, cooperative banks, and credit unions who have either originated or purchased residential mortgage loans within the bank's assessment area.

The Federal Deposit Insurance Corporation (FDIC) conducted a CRA examination on September 13, 1999 and rated the institution "Satisfactory". The bank's ability to meet community credit needs remains strong based on the resources and size of the institution.

### **Description of Assessment Area**

The bank defines its assessment area as the Town of Winchester and the City of Woburn, both located in the Boston Metropolitan Statistical Area (MSA). These two municipalities have a total of eleven census tracts of which seven are middle income and four are upper income. There are no low or moderate-income census tracts in the bank's assessment area.

According to 1990 US Census Data, the two communities have a combined population of 56,427 and a total of 21,735 housing units. Of the total housing units, 14,050, or 64.6 percent are owner occupied; 6,780 or 31.2 percent are rental occupied units; and 905, or 4.2 percent are vacant housing units. According to Banker and Tradesman, median home prices for the year ending December 31, 2000 in Winchester and Woburn were \$375,000 and \$230,250, respectively.

The Town of Winchester is an affluent suburban community while the City of Woburn has traditionally been a "blue-collar" community with a large commercial/industrial tax base.

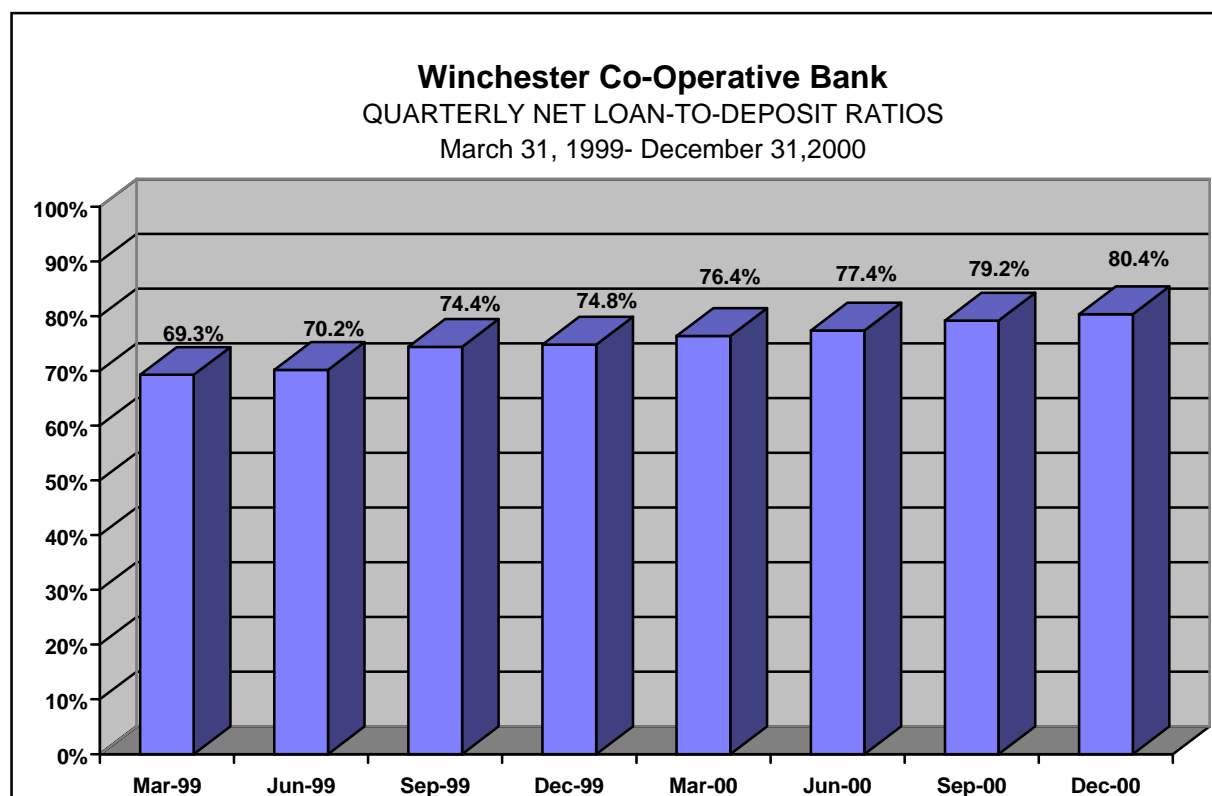
Both municipalities are in close proximity to downtown Boston and are easily accessible from major roadways including routes 128 and Interstate 93 and 95.

## **PERFORMANCE CRITERIA**

### **1. LOAN TO DEPOSIT ANALYSIS**

Based upon Winchester Co-operative Bank's asset size, its capacity to lend, and the credit needs of its customers, the institution's net loan-to-deposit ratio meets the standards for satisfactory performance.

An analysis of Winchester Co-operative Bank's net loan-to-deposit ratio was performed during the examination. The analysis utilized the last eight quarters of the Federal Financial Institutions Examination Council (FFIEC) Call Report data for this institution beginning March 31, 1999 through December 31, 2000. The bank's average net loan to deposit ratio for this time period was determined to be 75.3 percent and indicates a strong growth pattern during the period.



As noted in previous examinations, Winchester Co-Operative Bank's loan growth continues to outpace deposit growth. During the period reviewed, loans increased by 36.2 percent while total deposits increased by 17.6 percent. Loan growth of \$45.1

million was dominated by strong residential loan demand. Correspondingly, the bank has experienced significant asset growth over this same time period. The bank's asset size has grown from \$199 million as of March 31, 1999 to its current level of \$234.5 million. This represents a 17.8 percent increase in the asset size of the institution.

Winchester Co-operative Bank's net loan to deposit ratio was compared to the ratios of other area institutions. The ratios used were as of September 30, 2000. These percentages range from a low of 79.2 percent to a high of 80.8 percent.

Refer to the following table for details.

INSTITUTION	NET LOAN TO DEPOSIT RATIO
Northern Bank and Trust CO.	80.8%
Winchester Savings Bank	79.9%
Winchester Coop Bank	79.2%

Winchester Co-operative Bank is primarily a portfolio lender, although it does sell loans in the secondary market. In 1999, the bank sold 7 loans totaling \$999,000. The bank did not sell any loans in the secondary market in 2000.

Based on the above information and Winchester Co-operative Bank's capacity to lend, the strong competition from other institutions in the assessment area, demographic and economic factors present in the assessment area, and the lending opportunities available in the assessment area, the bank's loan to deposit ratio is considered reasonable.

## 2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA(S)

Winchester Co-operative Bank's 1999, and year-to-date December 19, 2000 HMDA/Loan Application Registers (LARs) were reviewed to determine the amount of credit extended within the bank's assessment area. During this period, the bank originated 578 HMDA-reportable loans totaling approximately \$100,671,000. Of these loans, 310 loans, or 53.6 percent of the number, totaling \$53,878,000, or 53.5 percent of the dollar amount were originated in the bank's assessment area.

Refer to the following tables for additional information.

### **HMDA-Reportable Loans by Number of Origination**

Location	1999		YTD-2000		Totals	
	#	%	#	%	#	%
Winchester	122	39.2	88	33.0	210	36.3
Woburn	54	17.4	46	17.2	100	17.3
<b>Inside Assessment Area</b>	<b>176</b>	<b>56.6</b>	<b>134</b>	<b>50.2</b>	<b>310</b>	<b>53.6</b>
Outside Assessment Area	135	43.4	133	49.8	268	46.4
<b>Total</b>	<b>311</b>	<b>100.0</b>	<b>267</b>	<b>100.0</b>	<b>578</b>	<b>100.0</b>

Source: HMDA/LAR Data for the period 1/1/99 to 12/19/00

### HMDA-Reportable Loans by Dollar Amount of Origination

Location	1999		YTD-2000		Totals	
	\$(000)	%	\$(000)	%	\$(000)	%
Winchester	23,499	45.2	17,272	35.4	40,771	40.5
Woburn	8,188	15.8	4,919	10.1	13,107	13.0
<b>Inside Assessment Area</b>	<b>31,687</b>	<b>61.0</b>	<b>22,191</b>	<b>45.5</b>	<b>53,878</b>	<b>53.5</b>
Outside Assessment Area	20,252	39.0	26,541	54.5	46,793	46.5
<b>Total</b>	<b>51,939</b>	<b>100.0</b>	<b>48,732</b>	<b>100.0</b>	<b>100,671</b>	<b>100.0</b>

Source: HMDA/LAR Data for the period 1/1/99 to 12/19/00

As indicated in the tables above, the majority of loans originated in 1999, and year-to-date 2000 were inside the bank's assessment area. These numbers reflect the bank's responsiveness to credit needs of borrowers. In 1999, the bank was ranked number one in market share among the 298 HMDA-reportable lenders in its assessment area with a 6.0 percent share of the market.

Based on the above information, it is evident that a reasonable number and dollar amount of the bank's residential mortgage loan originations have been extended within the assessment area. Therefore, the institution's level of lending within its assessment area meets the standards for satisfactory performance.

### **3. DISTRIBUTION OF CREDIT AMONG DIFFERENT INCOME LEVELS**

An analysis of residential mortgage loans extended, within the bank's assessment area, among various income levels was conducted. Originations were categorized by the ratio of the applicant's reported incomes to the 1999 and 2000, median family incomes of the Boston Metropolitan Statistical Area (MSA). The median family incomes for the Boston MSA are \$62,700 for 1999 and \$65,500 for 2000. Income figures were based on estimated data from the Department of Housing and Urban Development (HUD).

Low-income is defined by the US Census Bureau as income below 50 percent of the median family income level for the MSA. Moderate-income is defined as income between 50 percent and 79 percent of the median family income level for the MSA. Middle-income is defined as income between 80 percent and 119 percent of the median income. Upper-income is defined as income equal to or greater than 120 percent of the median income.

The following table shows the number of HMDA-reportable loans to low, moderate, middle and upper-income borrowers in comparison to the number of families in the assessment area in each respective income group.

### Distribution of HMDA Loans to Borrowers of Different Income Levels by Number

Borrower Income Level	Families		1999		YTD 2000		Total	
	#	%	#	%	#	%	#	%
< 50%	1,761	12.0	16	9.1	11	8.2	27	8.7
50 – 79%	2,264	15.4	31	17.6	25	18.7	56	18.1
80 – 119%	3,554	24.2	48	27.3	29	21.6	77	24.8
> = 120%	7,133	48.4	78	44.3	67	50.0	145	46.8
NA	-	-	3	1.7	2	1.5	5	1.6
<b>Total</b>	<b>14,712</b>	<b>100.0</b>	<b>176</b>	<b>100.0</b>	<b>134</b>	<b>100.0</b>	<b>310</b>	<b>100.0</b>

Source: HMDA/LAR Data for the period 1/1/99 to 12/19/00.

During the period reviewed, Winchester Co-operative Bank extended 27 loans to low-income borrowers representing 8.7 percent of the total loans originated within the assessment area. This is below the 12.0 percent of low-income families within the assessment area. However, this can be attributed to the fact that approximately 3.4% of the families are living below the poverty level making it difficult to generate loans to low income individuals. Another mitigating factor is the high cost associated with purchasing a home in the area in 2000 where the average housing price was over \$213,814 thus making homeownership difficult for many individuals in this income category.

The bank originated 56 loans to moderate-income borrowers, representing 18.1 of the total originations within the assessment area. The number of loans exceeds the 15.4 percent of moderate-income family households within the assessment area. The bank made 24.8 percent of its residential loans to middle income borrowers, and 46.8 percent to borrowers with incomes over 120 percent of the median. The higher percentage of loans among upper-income borrowers correlates to the average median cost of housing in the assessment area which is quite high.

The distribution of loans among the various income levels was also compared to that of all other HMDA-reporters in the assessment area. As previously mentioned, other HMDA-reporters include bank and non-bank entities such as large national banking companies, other local banks, credit unions and mortgage companies. The most recent data available for this analysis relates to calendar year 1999 and is presented in the following table.

### Lending to Borrowers of Different Income Levels Winchester Co-operative Bank Compared to All Other HMDA-Reporters

Borrower Income Level	Number of Loans				Dollar Amount of Loans			
	Winchester Co-operative Bank		All Other Reporters		Winchester Co-operative Bank		All Other Reporters	
	#	%	#	%	\$(000)	%	\$(000)	%
< 50%	16	9.1	138	4.6	1,052	3.3	10,257	1.9
50 – 79%	31	17.6	352	11.7	3,832	12.1	38,816	7.0
80 – 119%	48	27.3	698	23.2	7,087	22.4	97,171	17.6
> = 120%	78	44.3	1,277	42.4	19,011	60.0	278,312	50.4
NA	3	1.7	550	18.1	705	2.2	127,408	23.1

Total	176	100.0	3,015	100.0	31,687	100.0	551,964	100.0
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Source: HMDA Data for the period 1/1/99 to 12/31/99.

As shown above, Winchester Co-operative Bank's percentage of loans to low-income borrowers is substantially better than that of the aggregate by both number and dollar amount. Winchester Co-operative Bank originated 9.1 percent of its loans by number and 3.3 percent by dollar amount within the assessment area to low-income borrowers, compared to the aggregate with 4.6 percent by number and 1.9 percent by dollar amount. Similarly, HMDA-reportable loans to moderate-income borrowers accounted for 17.6 percent by number and 12.1 percent by dollar amount. Both number and dollar amount exceed that of the aggregate.

The distribution of HMDA-reportable loans by borrower income demonstrates the bank's willingness to lend to borrowers of all income levels, including those of low and moderate-income.

In 1999, Winchester Co-Operative Bank ranked first in lending to low and moderate-income borrowers within its assessment area. The bank originated 47 HMDA-reportable loans to borrowers in these income groups capturing 8.8 percent of the market.

Based on the information above and the assessment area profile, the bank's lending to borrowers of different income levels including those of low and moderate-income exceeds the standards for satisfactory performance.

#### 4. DISTRIBUTION OF LOANS BY CENSUS TRACT INCOME LEVEL

The purpose of reviewing the bank's geographic distribution of loans is to assess how well the bank is addressing the credit needs of the assessment area's low, moderate, middle and upper-income census tracts. However, Winchester Co-operative Bank's assessment area consists exclusively of middle and upper-income census tracts. Hence, a limited geographic analysis was conducted. The following table details the distribution of loans by census tract income level.

**Distribution of HMDA Loans by Census Tract Income Level**

Census Tract Income Level	1999		YTD 2000		Total	
	#	%	#	%	#	%
Middle	75	42.6	71	53.0	146	47.1
Upper	101	57.4	63	47.0	164	52.9
Total	176	100.0	134	100.0	310	100.0

Source: HMDA/LAR Data for the period 1/1/99 to 12/19/00.

The lending data for 1999 and year-to-date December 19, 2000 indicates a reasonable dispersion of loans throughout the middle and upper-income census tracts in the assessment area.



## **5. REVIEW OF COMPLAINTS AND FAIR LENDING POLICIES AND PRACTICES**

Based upon the review of the bank's public comment file and its performance relative to fair lending policies and practices the institution meets the standards for satisfactory performance.

### **FAIR LENDING POLICIES AND PRACTICES**

Detailed below is the bank's fair lending performance as it relates to the guidelines established by the Division of Bank's Administrative Bulletin 2.3-101. Winchester Co-operative Bank has a formal written Fair Lending policy that addresses many of the criteria contained within the Bulletin. The policy of the bank is to work pro-actively to eliminate any potential discriminatory policies, practices or procedures.

### **STAFF TRAINING**

Fair Lending and CRA regulations are introduced to all employees, either internally or by a contracted agency. In addition, management attends seminars sponsored by the Massachusetts Bankers Association.

### **STAFF COMPOSITION AND COMPENSATION**

The bank currently employs 34 full-time and 10 part-time individuals. The composition of the bank's staff appears to adequately reflect the demographics of the assessment area.

The bank has four individuals who are authorized to originate mortgages. Those individuals are encouraged to make loans of all dollar amounts.

### **OUTREACH**

Winchester Co-operative Bank is actively involved in its community through its association with community groups and through the activities of its staff. Please refer to the service section for further details of these organizations.

### **CREDIT PRODUCTS AND UNDERWRITING STANDARDS**

The bank offers fixed and adjustable rate mortgage products. The bank is a portfolio lender which allows for more flexible underwriting standards. Winchester Co-operative Bank offers a first time homebuyer program with reduced closing costs and no attorney fees.

### **MARKETING**

Print media is the primary method used to advertise the bank's products and services. The bank regularly advertises in the Daily Times Chronicle, a daily community newspaper serving the communities of Woburn, Winchester, and Burlington.

### **CREDIT EDUCATION**

The bank participated in a homebuyer seminar on October 19, 2000 for the elderly. In addition, management thoroughly explains the bank's credit products to its potential customers.

### **COUNSELING**

Bank employees are available to assist customers with potential problems or questions concerning their credit situation. Borrowers experiencing credit problems may be offered the alternative to re-write their loan when feasible. In addition, the bank refers delinquent loan customers to the appropriate credit counseling services in the area.

### **SECOND REVIEW PRACTICES**

Prior to the issuance of a denial on a mortgage loan application, the President or the Executive Vice President reviews the application to determine whether the bank's application procedures were followed and to determine if compensating factors were applied fairly and consistently. In addition, any applicant who wants the application to be given further consideration may request that the board committee review the application.

### **INTERNAL CONTROL PROCEDURES**

The bank's underwriter, as part of a final review, prepares a worksheet to ensure that all data obtained is correct. In turn, the Senior Lender reviews the reports for accuracy.

### **MINORITY APPLICATION FLOW**

A review of residential loan applications was conducted in order to determine the number of applications the bank received from minorities. From January 1, 1999, through December 19, 2000, the bank received 336 residential loan applications from within its assessment area. During this period, 5 applications or 1.5% were received from minorities with 4 applications resulting in origination.

According to 1990 Census Data, the bank's assessment area contained a total population of 56,427 individuals, of which 4.6% are minorities. The minority population is 1.7% Hispanic, 1.1% Black, 1.6% Asian, 0.1% American Indian and 0.1% Other. The following table details the bank's application flow.

### WINCHESTER CO-OPERATIVE BANK RESIDENTIAL APPLICATION FLOW

RACE	1999		2000-YTD		TOTALS	
	#	%	#	%	#	%
Native American	0	0.0	0	0.0	0	0.0
Asian	2	1.1	1	0.7	3	0.9
Black	0	0.0	0	0.0	0	0.0
Hispanic	1	0.5	0	0.0	1	0.3
Joint Race	0	0.0	0	0.0	0	0.0
Other	0	0.0	1	0.7	1	0.3
<b>Total Minority</b>	<b>3</b>	<b>1.6</b>	<b>2</b>	<b>1.4</b>	<b>5</b>	<b>1.5</b>
White	186	98.4	144	97.9	330	98.2
N/A	0	0.0	1	0.7	1	0.3
<b>Total Applications</b>	<b>189</b>	<b>100.0</b>	<b>147</b>	<b>100.0</b>	<b>336</b>	<b>100.0</b>

SOURCE - CRA Wiz 1999 and YTD Dec. 19, 2000

The bank's minority application flow was compared with the 1999 aggregate data for all HMDA reporters within the assessment area. See the table below.

### RESIDENTIAL APPLICATION FLOR WINCHESTER CO-OPERATIVE BANK COMPARED TO AGGREGATE

Race	Winchester Co-Operative Bank		All Other Reporters	
	#	%	#	%
American Indian	0	0.0	9	0.2
Asian	2	1.1	85	2.1
Black	0	0.0	20	0.5
Hispanic	1	0.5	18	0.4
Joint	0	0.0	44	1.1
Other	0	0.0	37	0.9
<b>Total Minority</b>	<b>3</b>	<b>1.6</b>	<b>213</b>	<b>5.2</b>
White	186	98.4	2,712	66.8
No Information	0	0.0	1,139	28.0
<b>Total</b>	<b>189</b>	<b>100.0</b>	<b>4,064</b>	<b>100.0</b>

Source: HMDA Data for the period 1/1/99 to 12/31/99.

Aggregate information for 1999 indicated that, of the 4,064 HMDA-reportable applications received by all other lenders within the bank's assessment area in 1999, 5.2% were from minorities: 0.2% from American Indians, 2.1% from Asians, 0.5% from Blacks, 0.4% from Hispanics, 1.1% Joint applicants and 0.9% from Other Minorities. The bank received 189 applications during the same period. Of these, 1.6% were from minorities: 1.1% from Asians and 0.5% from Hispanics.

The bank's minority application flow falls below the racial composition of its assessment area and the application flow of the aggregate.

## **COMMUNITY DEVELOPMENT, INVESTMENT, AND SERVICES**

At management's request, flexible-lending practices, community development lending, investments and services were reviewed and were found to support the overall rating. As defined under the revised CRA regulation, a qualified investment is a lawful investment, deposit, membership share or grant that has community development as its primary purpose. Community development includes affordable housing for low and moderate-income individuals, community services targeted to low and moderate-income individuals, and activities that revitalize or stabilize low and moderate-income geographies. Qualified services include community development services as well as accessible and effective means of delivering retail-banking services.

### **COMMUNITY DEVELOPMENT LENDING**

**Woburn Council of Social Concern:** This organization supports the needs of low-and moderate-income children, families, and senior citizens by providing day care, parenting education, and emergency food assistance. The bank provided a \$300,000 loan to purchase a piece of property that will become the organization's new office. The bank provided the organization a below market rate loan and absorbed the closing costs.

### **INNOVATIVE OR FLEXIBLE LENDING PRACTICES**

Winchester Co-operative Bank participates in loan programs aimed at meeting the credit needs of low and moderate-income homebuyers. Details of these programs are as follows.

#### **First Time Homebuyer Program.**

Winchester Co-operative Bank offers a first time homebuyer program to qualified applicants. This program offers below market rates, reduced closing costs and payment of the attorney fees. During the period under review the bank originated 38 loans totaling \$ 6,687,925 under this program.

#### **Massachusetts Housing Partnership**

The bank participates in the soft second program in conjunction with the Massachusetts Housing Partnership, which offers low and moderate-income first time homebuyers a 30

year fixed rate first mortgage. A minimum 5 percent down payment is required with 2 percent as a gift. Higher debt and housing ratios are permissible than under conventional financing. Repayment of the second mortgage can be deferred with only interest payments. During the exam period, the bank originated 3 soft second loans totaling \$55,250.

## **HOME Program**

The bank is involved with the lending programs of Homeowner Options for Massachusetts Elders (HOME). HOME is an independent non-profit agency dedicated to helping low and moderate-income senior citizens remain in their homes. HOME provides counseling, education, lending programs and various other services. The bank originated one loan for \$134,494 in 1999 and one loan for \$445,617 in 2000 through the HOME program.

## **INVESTMENTS**

The bank's levels of qualified investments consist solely of charitable contributions, and help support the overall rating. From January 1, 1999 through December 19, 2000 the bank provided \$7,120 in qualified contributions and grants in support of agencies which promote community development, as defined under the revised CRA regulation. The following are examples of these contributions:

- **Woburn Council of Social Concern:** This organization supports the needs of the low- and moderate-income children, families, and senior citizens by providing day care, parenting education, and emergency food assistance.
- **Homeowner Options for Massachusetts Elders (H.O.M.E.):** This organization has developed programs, which assist Massachusetts elder homeowners to make informed housing decisions that allow them to stay in their homes.
- **Winchester Interfaith Housing Corporation:** The housing corporation provides opportunities for low- and moderate-income families to buy affordable housing in Winchester. The primary function of this organization is to purchase two family housing and convert them into separate affordable housing units.
- **Mission of Deeds:** This is a non-profit volunteer organization that provides household furnishings to people in need. The recipients range from battered women to abandoned elderly people to others who have lost their homes.
- **Winchester ABC Program:** The Winchester A Better Chance Program provides housing in Winchester, to low and moderate-income teenagers from inner-city areas and enables them to obtain an education at Winchester High School.
- **Melissa Mason Scholarship Trust Fund:** The scholarship fund was established in the name of a Winchester resident who bequeathed money to the President of Winchester Co-Operative Bank. The fund has grown over the years, and subsequently

scholarships are awarded to students who demonstrate financial need, and participate in extracurricular activities, which help residents of the community.

## **SERVICES**

The bank's level of retail and community development services supports the overall CRA rating of High Satisfactory. The following details the bank's services.

### **Retail Services**

The bank's hours and accessibility are reasonable. While the bank officially opens at 8:00 am during the week, the lobby is open by 7:00 am. The bank is open until 7:00 p.m. on Thursday and Friday, and Saturday hours are 8:00 am to 12:30 p.m. In addition, the bank is a member of the SUM program, an alliance of financial institutions that do not impose ATM surcharges on customers of SUM member institutions.

Winchester Co-operative Bank maintains a website at [www.wcbonline.com](http://www.wcbonline.com), which enables customers to obtain account balances, view account history, get current rates and pay their bills.

Customers of the bank can also access their account information at 1-877-WCB-BANK'S, Winchester Co-operative Bank's telephone banking system. Customers can obtain account balances, mortgage balances, savings and CD rates as well as transfer funds and make loan payments.

### **Community Development Services**

Through the participation of its directors, management and employees, the bank is involved in providing support to local community development programs and projects. Through these involvements, the bank's staff lends their technical expertise, experience and judgment to these organizations. Following is a sample of the bank's qualified community development services.

- **Woburn Council of Social Concern:** This organization supports the needs of low-and moderate-income children, families, and senior citizens by providing day care, parenting education, and emergency food assistance. The bank's Assistant Treasurer serves on the Board of Directors of this organization.
- **North Suburban YMCA:** This organization provides social services such as child care, after school care, summer camps, English as a Second Language, and computer training without regard to ability to pay. The bank's Vice President and a member of the Board of Directors serve on the Board of this organization.

# THE COMMONWEALTH OF MASSACHUSETTS

To the COMMISSIONER OF BANKS:

THIS IS TO CERTIFY, that the report of examination of the

## WINCHESTER CO-OPERATIVE BANK

for compliance with applicable consumer and fair lending rules and regulations and the Community Reinvestment Act (CRA), as of the close of business **FEBRUARY 14, 2001**, has been read to or by the undersigned and the matters referred to therein will have our immediate attention.

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A majority of the Board of Directors/Trustees

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_

# PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at 19 Church St. Winchester, MA.

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing.

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.